



## Statewide Small Business Council Meeting Minutes – March 21, 2008

Civil Rights  
1823 14<sup>th</sup> Street  
Sacramento, California  
Telephone: (916) 324-0449

### Statewide Council Members Present

|                    |                   |
|--------------------|-------------------|
| Camacho, Julian    | HCA               |
| Chaudhary, Arvin   | CELSOC            |
| Garcia, Rodrigo    | SHPE              |
| Golliet, Gene      | SDVOB             |
| Guerrero, Paul     | CAL-SBE           |
| Hou, Johnathan     | ABA               |
| Jackson, Jeffrey   | AIAI              |
| Keller, Marty      | OSBA              |
| LaCome, Diana      | NCA               |
| Lau, Eddy          | AAAE, SFO         |
| Llewellyn, Rebecca | WCOE              |
| McGlover, Stephan  | CCCC              |
| Yang, William      | AAAE, Southern CA |

### Caltrans Staff Present

|                       |                                   |
|-----------------------|-----------------------------------|
| Iwasaki, Randell      | Chief Deputy Director             |
| Fonseca, Olivia       | Civil Rights                      |
| Alvidrez, Tiffani     | Civil Rights                      |
| Bergmann, Peg         | Civil Rights                      |
| Boulware, La Sonja    | District 11 Video Teleconference  |
| Carrington, Christine | District 11 Video Teleconference  |
| Carroll, Patrice      | DLA                               |
| Crosby, George        | District 4 Video Teleconference   |
| DeWatney, Bonnie      | Civil Rights                      |
| Edwards, Cathleen     | Civil Rights                      |
| Effinger, Robert      | Construction                      |
| Einhorn, Joanne       | District 11 Video Teleconference  |
| Gonzales, Michael     | OSBA                              |
| Gordon, Germaine      | District 10 Video Teleconference  |
| Harria, Adriana       | District 4 Video Teleconference   |
| Irvin, Pam            | Accounting                        |
| Jackson, Otis         | District 7                        |
| Jeffries, Carol       | District 11 Video Teleconference  |
| Luiz, Amber           | ETP                               |
| Miles, Michael        | HQ                                |
| Nesbitt, Osayhade     | District 4 Video Teleconference   |
| Padilla, Robert       | Civil Rights                      |
| Pulido, Lauren        | District 10 Video Teleconference  |
| Richardson, Nellie    | District 11 Video Teleconference  |
| Shur, Cherri          | District 11 Video Teleconference  |
| Smelser, Jan          | DPAC                              |
| Solano, Augusta       | District 4 Video Teleconference   |
| Sultan, Mohsen        | DPM                               |
| Vallejo, Lupe         | Accounting                        |
| White, Brian          | District 4 – Video Teleconference |

### Guests

|                 |                     |
|-----------------|---------------------|
| Carrera, Angel  | DGS                 |
| Murphy, Gillian | CPCCC/EWD/SBDC/CCCP |
| Padilla, Pat    | CCCP                |
| Wong, Samson    | SBTRC-SW            |

## **WELCOME/INTRODUCTIONS**

Olivia Fonseca, Deputy Director, Civil Rights, California Department of Transportation (Caltrans)/Small Business Council (SBC) Chair called the meeting to order at 8:33 a.m. SBC members, Caltrans staff, and guests were welcomed and asked to introduce themselves.

## **OPENING REMARKS**

Randell H. Iwasaki, Chief Deputy Director (CDD), Caltrans thanked SBC members Rebecca Llewellyn and Fred Jordan for their testimonies at the February 28, 2008, Assembly Select Committee on Procurement Hearing.

Councilmember Lau—as well as Chair Fonseca—was encouraged that the Assembly Select Committee on Procurement is listening to small business (SB) and grateful that Assemblymember Price stepped forward to lead the effort. Councilmember Guerrero suggested the 15 signatories meet with Caltrans. Councilmember Llewellyn indicated most of the 15 Partnership signatories have been meeting and working through GoCalifornia, Calmentor, and through Caltrans Director Kempton's efforts to provide SB opportunities; because of this, more people are listening. Councilmembers were concerned the hearing order placed big businesses first and by the time SB testimonies were heard at the end of the hearing, most big business attendees had left. Councilmember Llewellyn suggested a change-of-order for future hearings.

## ***ACTION ITEM***

Chair Fonseca will send an email to councilmembers with information on whom and how to address their concerns to the Assembly Select Committee on Procurement.

Our biggest success with the Partnership is the Architectural and Engineering (A&E) Mentor Protégé Program. Thank you Jonathan Hou; your CalMentor Protégé Program idea—along with District 7 Director, Doug Failing's embrace of the idea—is flourishing and new relationships continue to be made. On April 3, 2008, District 4 will host their first annual CalMentor Protégé program.

Federal Highway Administration (FHWA) is still evaluating the Disadvantaged Business Enterprise (DBE) Goal and Methodology and has submitted inquiries. The SBC packet has response copies of two additional inquiries from FHWA.

Ms. Patrice Carroll, Caltrans Local Assistance (LA) is working with the University of California at Berkeley to prepare DBE training modules to train local agencies—as sub recipients of FHWA funds—on how to implement a DBE program. Councilmember Lau asked how the LA will track DBE participation at the local level. It was suggested to have this item on the agenda for the next SBC meeting.

## ***ACTION ITEM for Executive Committee***

Invite Terry Abbott, Chief Division of Local Assistance to attend the April 18, 2008, SBC meeting.

At this time, the Governor's 10 percent State budget cut does not apply to Caltrans, but in an effort to support and embrace the Governor's executive order, Director Kempton has asked Caltrans deputy directors to review their areas for cost-saving measures.

Councilmembers were asked if the frequency of Statewide SBC Meetings held each year could be decreased and still be effective to the SB community. Director Kempton and Chief Deputy Iwasaki recognize the SBC as valuable to Caltrans and the community. Caltrans recognizes the councilmembers are the advocates who take information from the SBC meetings and filter it back to the SB community. After a discussion on the matter, it was agreed—by consensus—to continue Statewide SBC meetings as scheduled.

Michael Miles, Deputy Director, Division of Maintenance provided information on emergency contracts; there are a large number of services purchased in maintenance and this information needs to be filtered to SBs. The equipment shop also has repair work for SBs. Mr. Miles reconfirmed the importance councilmember participation has in getting this information out to SBs. Councilmember Guerrero made a recommendation to improve the on-line Emergency Contractor Registry—also known as the “Caltrans Contractor Interest Registry,” which can be found at <http://www.dot.ca.gov/contractor>—by providing SBs more business service option choices.

#### ***ACTION ITEM for Executive Committee***

On-line Emergency Contractor Registry - Add more options to the list of business services and increase the number of letters allowed in the option box “Other”.

Mr. Angel Carrera, Business Development Program Manager, Procurement Division, Department of General Services (DGS) reported that DGS is looking at the statewide SB participation report and has plans to meet with the top 10 departments that did not meet the SB/Disabled Veteran Business Enterprise goals. Council member Lau asked for an update on implementing a microbusiness program.

#### ***ACTION ITEM***

Mr. Carrera will set up a meeting between councilmembers and DGS to discuss implementing a microbusiness program.

#### **ITEM 1 –Meeting Minute Approval**

**January 15, 2008**      Motion: Councilmember Guerrero  
                              Second: Councilmember Lau  
                              Approved by consensus.

**February 15, 2008**      Motion: Councilmember Yang  
                              Second: Councilmember Lau  
                              Approved by consensus.

#### **ITEM 2 – District Updates**

##### **District 4 (Oakland) – Brian White (for Bijan Sartipi, District 4 Director)**

The District is holding the inaugural Calmentor award event on April 3, 2008; 150 participants have signed up to attend. The District 4 CalMentor Program has 23 mentors and 45 protégés. On April 2, 2008, the District will hold a Spring Outreach to share information on upcoming contracts. On April 8, 2008, there will be a mandatory pre-bid for a \$53 million contract. On April 11, 2008, there will be an outreach to discuss 37 projects available totaling \$700 million. SB participation: 1<sup>st</sup> Quarter – 48.5 percent, 2<sup>nd</sup> Quarter – 29.5 percent.

### **District 7 (Los Angeles) – Otis Jackson (for Doug Failing, District 7 Director)**

On March 27, 2008, there will be an Expo contracting opportunity. There was an Expo on February 29, 2008, sponsored by Assemblymember Curran Price; eight chambers were present with several hundred in attendance. April 2, 2008, there will be a Procurement Fair with on-the-spot purchasing; flyer provided. Councilmember Hou asked when will there be an A&E fair in District 7.

### ***ACTION ITEM***

District 7 will facilitate an A&E fair; schedule to be announced later.

### **District 10 (Stockton) – Lauren Pulido (for Kome Ajise, District 10 Director)**

A new SB website for District 10 was created. The District Small Business Liaison is reaching out to business chambers and partnering with the San Joaquin Delta College Small Business Development Center.

### **District 11 (San Diego) – Joanne Einhorn (for Pedro Orso-Delgado, District 11 Director)**

A Procurement Fair is scheduled for March 27, 2008. There will be 200 participants and 120 + buyers. The A&E Fair is on April 4, 2008: \$250 million in projects and 350-plus attendees have registered.

### **Governor's Office of the Small Business Advocate (Sacramento)**

#### **Marty Keller, Governor's Small Business Advocate (OSBA)**

Mr. Keller spoke about the existing SB councils/boards all aiming to assist SBs obtain State contracts. Governor Schwarzenegger's goals include having the councils share points-of-view, to ensure effective communication. These meetings are important; OSBA is always exploring how to better serve SBs. The OSBA has a website with links to other State department SB programs.

### **ITEM 3 – Claim Notice Process**

Lupe Vallejo, Division of Accounting provided an overview of the Stop Notice (SN) process. Ms. Vallejo handed out a copy of the Release of Stop Notice and Laws Relating to State Contracts, Labor and Material Claims, and Execution on Moneys Owned by Public Agencies as of December 1999. Councilmembers Guerrero and Camacho asked how to obtain copies of the preliminary notices that have been filed. Ms. Vallejo's direction was to use the Public Information Process in order to submit an information request.

### ***ACTION ITEM***

Chair Fonseca will follow up with Ms. Vallejo on the preliminary notices that Caltrans receives.

### **ITEM 4 – Statewide Committee Reports**

Committees met the night before and discussed 2007-08 Action Items; refer to the Committee Action Item listing handout for the updates.

### **Legislation**

Councilmembers were asked to review the *Legislative Counsel's Digest* Assembly Bills 2773, 2716, 2778, and 3024.

### ***NEW ACTION ITEMS - PROFESSIONAL SERVICES COMMITTEE***

- Request clarification on the *Laws Relating to State Contracts, Labor and Material Claims, and Executions on Moneys Owed by Public Agencies as of December 1999*, Section 3110, Page 36.

- Request information on the selection/process criteria on Inspection/Construction Contracting Program.
- Request information on the success of SB/A&E as the prime and the large A&E is the subcontractor.
- Request a presentation from the Division of Audit and Investigation on the cognizant audit topic.
- Request information on the new procedures and a guide for the 2007 audit rate.

***NEW ACTION ITEMS - CONSTRUCTION COMMITTEE***

- Currently, contract instructions do not specify where SNs should be sent. The contract language specifications should state what division (Accounting) and who (Lupe Vallejo) to notify for SNs.
- Recommend the preparation and dissemination of a SN Flow Chart.
- Request a presentation on the Overview Insurance Pre-Approval Program.

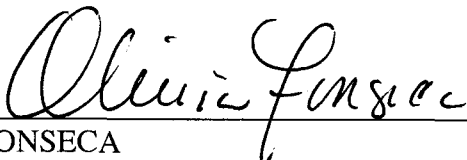
**ITEM 5 – Public Comment/Good of the Order**

1. Samson Wong – United States Department of Transportation (USDOT), California-based Office of Small and Disadvantaged Business Utilization (OSDBU), handed out information packet. The OSDBU, Small Business Transportation Resource Center is a program that complements the DBE Program, by providing technical assistance, help ease cash flow challenges, and help SBs grow to be able to bid on transportation contracts. Mr. Wong was invited to return to provide information to the Council on the surety bond and line of credit.
2. Councilmember McGlover requested pictures from trade fairs in order to use them for marketing.
3. Starting April 2008, the Office of Engineer will hold bid opening every other Friday in the Southern California office.
4. A fact sheet was provided on the Signal/Lighting Pole and Over Head Sign Structures.
5. The Award Tracker was provided in the meeting packet and will be provided on a quarterly basis. Award Tracker is also available at [www.dot.ca.gov](http://www.dot.ca.gov).
6. Councilmember Guerrero announced the annual “Meet at Paul’s House” on July 17, 2008, the night before the July 18, 2008, SBC meeting. The July 2008 Statewide SBC Meeting will be held in Stockton; more information to be provided in June 2008.
7. Councilmember Golliet complimented the DVBE Incentive Implementation PowerPoint handout.
8. The Statewide SBC meetings will continue on a monthly basis, with the exception of no meeting in December.
9. Chair Fonseca encouraged current SBC members to remind and encourage new members to attend and participate in Statewide Committee and Statewide SBC Meetings.

**Meeting adjourned:** 11:30 a.m.

**Next meeting:** April 18, 2008  
1823 14<sup>th</sup> Street, CR 207  
Sacramento, CA

**Approved by:**




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OLIVIA FONSECA  
Deputy Director, Office of Civil Rights  
California Department of Transportation